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S E C R E T SECTION 01 OF 05 BEIRUT 000952

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NSC FOR ABRAMS/SINGH/MARCHESE/HARDING

E.O. 12958: DECL: 06/27/2027

TAGS: PREL PGOV KDEM LE SY

SUBJECT: LAHOUD'S SECOND CABINET SCENARIO: EVEN IF HE'S JUST BLUFFING, BETTER TO TAKE IT SERIOUSLY

REF: BEIRUT 944

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Classified By: Jeffrey Feltman, Ambassador, per 1.4 (b) and (d).

SUMMARY

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¶1. (C) Rumors about if and when President Emile Lahoud will unilaterally form a second cabinet continue to dominate political talk in Lebanon. There are some indications that Lahoud might move far more quickly than expected to take this step to undermine Siniora's cabinet. Elias Murr, citing his father's connections with Lahoud, believes that we have only 2-3 weeks to prevent such a move, and pro-Syrian mouthpiece Wi'am Wihab warned that major events will break the March 14 monopoly on power soon. Michel Aoun is now on record supporting a second government as the "least bad" option. By contrast, there are those who claim that, while Lahoud may wish to move in this direction, the lack of enthusiasm from some key opposition figures (and possibly even Iran) will force him to postpone any decision, perhaps indefinitely. Amin Gemayel quoted Nabih Berri as being uninterested in a second cabinet.

¶2. (C) Whether the two-government possibility is real or just being floated as a scare tactic to win concessions from the March 14 leaders, we believe it would be prudent to take the threat seriously. A second cabinet, enjoying the allegiance of the population in sensitive areas of the country (including south of the Litani), would -- as its proponents no doubt intend -- further destabilize Lebanon. UNIFIL troop contributing countries and the UN itself would be inclined to engage with the second cabinet for force protection reasons. Our denunciation of the second cabinet will be contrasted with our support of the second Palestinian cabinet. In our view, it is preferable to work now to prevent a second cabinet than to react after its formation. Peeling away Michel Aoun's bloc from the second cabinet idea would deprive Lahoud of Christian support. Already lacking credible Sunni and Druse backers, Lahoud would be less likely to act with only the Shia on board.

¶3. (S) To persuade Aoun (or those around him), we need credible sticks. We know that a visa ban under 212(f) of the INA will soon be announced by the White House. We urge that work on an Executive Order to impose financial sanctions on those undermining Lebanon's democratic institutions be

accelerated. The purpose of this E.O. need not be to announce specific names. Even an E.O. without names would serve as a deterrence, to make potential supporters of the second cabinet think twice. We also hope that the Vatican can be more clear, giving Aoun's supporters pause. We also hope we can encourage France to make clear that those supporting a second cabinet will not be invited to participate in the French dialogue initiative. Balancing our sticks with a potential carrot, we will also work locally to promote a more meaningful dialogue between the Aoun bloc and the March 14/GOL leaders. End summary.

SECOND CABINET TO BE NAMED SOON?

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¶4. (C) In a 6/26 meeting with the Ambassador and DCM, Deputy Prime Minister and Defense Minister Elias Murr reported that his father, Metn-area MP and political boss Michel Murr, visited President Emile Lahoud a few days earlier. Rejecting the idea of waiting until the last minutes of his presidency (as Amine Gemayel did in 1988, when appointing Michel Aoun as PM), Lahoud told the elder Murr that he intends to name a second cabinet within a couple of weeks. His legal advisor Selim Jeressaiti has provided convoluted legal justification for anointing a second cabinet without reference to the parliamentary/constitutional process. Elias Murr said that he and his father take the threat seriously. Former MP Nassib Lahoud, on the outs with his cousin Emile, called on the Ambassador today (6/27) to report that contacts within the family say that "this is not a bluff and it will happen soon."

¶5. (C) Druse thug and former Minister Wi'am Wihab gave a press conference on 6/26 that was consistent with the Murrs' impression of Lahoud's intentions. Usually channeling Syrian thinking, Wihab -- besides accusing the United States of the

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attack on the Spanish UNIFIL contingent (on the absurd argument that the Europeans would be more inclined to support our Iraq and Syria policy) -- said that major events would eliminate the March 14 monopoly on governing power. While Wihab could very well mean assassinations, our contacts mostly interpreted his remarks as suggesting that the second cabinet is imminent. MP Michel Aoun, too, has softened his earlier opposition to the second cabinet. Besides opening the door to the idea in his meeting with Congressman Darrell Issa on 6/25 (reftel), Aoun gave an interview to the French-language daily newspaper L'Orient Le Jour published today, in which Aoun described the second cabinet as the "least bad" option and as a means to put things "under control."

OR NOT?

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¶6. (C) Others, however, argue that it won't be so easy for Lahoud to name the second cabinet, even if Lahoud continues to disregard all constitutional requirements. Former President Amine Gemayel, speaking to the Ambassador on 6/26, said that Parliament Speaker Nabih Berri had told him in a meeting that day that he is not enthusiastic. Berri prefers concentrating on finding a consensus presidential candidate, Gemayel reported, calculating that, without Berri on board, Lahoud could not move forward with a second cabinet. Some of our contacts whisper that, whatever Syria's interest in chaos in Lebanon, Iran has no interest in a second cabinet, in which Hizballah risks being discredited. Still others predict that, yes, Lahoud will appoint a second cabinet, assuming no consensus candidate emerges for the presidency, but not until much closer to the end of his term. In this scenario, Lahoud's primary purpose in setting up a last-minute second cabinet would be to transfer the powers of the presidency to a government of his creation, not the March 14/GOL cabinet, to fill the governing vacuum until presidential elections take place (perhaps years later).

OUR VIEW: TAKE THE THREAT SERIOUSLY

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¶7. (C) We do not know what Lahoud is thinking. But we note that, since November, Syria's allies in Lebanon have taken a number of steps -- walk-outs, demonstrations, sit-ins, katyusha launchings, uprisings in Palestinian camps, etc. -- in a relentless attempt to weaken if not topple Siniora's cabinet. The pro-Syrians seem to observe no red lines in plotting their next moves. Typically, threats preceded each step implemented. (We remember, for example, Wi'am Wihab saying that UNIFIL would be the "first victim" of Chapter VII -- he was wrong only in number.) However illogical or unconstitutional it seems for Lahoud to move in the direction of a second cabinet, it is a safer bet for us to assume he will do so than to assume that this -- unlike all of those previous threats -- is merely a bluff.

IF IT HAPPENS: SECOND CABINET  
WILL START TO APPEAR LEGITIMATE

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¶8. (C) If there is a second cabinet, it will initially appear to be internationally orphaned, with only Syria, Iran, and (likely) Qatar recognizing it. But this will quickly change. As the faux cabinet will have the support of the Shia in sensitive areas such as south of the Litani River, representatives of UNIFIL's troop-contributing countries will pay calls on its ministers because of force protection concerns. UNIFIL itself will cultivate good relations with it. Most likely, the UN political representatives such as Geir Pedersen, unless explicitly prohibited from doing so by UN headquarters, will meet regularly with the second cabinet, arguing that someone has to be working to heal the rift. Internally, the Lebanese Armed Forces and the Central Bank will probably end up dealing with the second cabinet in one way or another.

¶9. (C) Before very long, the two governments -- one internationally recognized and constitutional, the other a creation of Emile Lahoud -- will start to look more or less equally legitimate. And that is the best-case scenario, that assumes that there is not a physical struggle on the ground for control of assets and territory. We should also expect

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that Syria's Lebanese allies will use our rejection of the second cabinet as a propaganda tool against us, contrasting the situation in the West Bank and Gaza (where we support the second cabinet appointed by the president) with Lebanon to accuse us of hypocrisy. While the Palestinian and Lebanese situations are not analogous, this line of reasoning will be deeply embarrassing to Fouad Siniora.

GOING ON THE OFFENSIVE, IN HOPES  
OF DETERMING SECOND CABINET

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¶10. (C) In general, we have been reactive when Lahoud and the other pro-Syrians take steps to destabilize the Siniora cabinet. While we have often relied for a response on the moral force of the United Nations, this is not always effective: the establishment of the Special Tribunal did not save March 14 MP Walid Eido and may have even hastened his assassination. Regarding a second government, we now have sufficient warning. If we move extremely rapidly, we might succeed in deterring the second government from being declared -- or, if it is declared, from succeeding. Our goal, in our view, should be to convince as many Lebanese who have influence on this decision as possible that it is not in their interest to side with the second government. We should aim at demonstrating to Lahoud that he has insufficient support to proceed.

AOUN'S ATTITUDE KEY TO SUCCESS

OF FAILURE OF SECOND CABINET

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¶11. (C) We have no illusions about dissuading Lahoud from following whatever course Damascus charts. But we can dissuade others from traveling with him on his destructive journey. Already, the major Sunni and Druse blocs are solidly against a second cabinet, while it is safe to assume that, if Lahoud declares it, he has already gotten assurances of Hizballah and Amal (Berri) support. The potential swing vote here is Michel Aoun's predominantly Christian bloc. If Aoun sides with Lahoud, then the second cabinet appears to have "national" backing and sufficient weight to be a real problem. If Aoun declines, however, the only significant support for Lahoud's initiative will come from the Shia, making the second cabinet a transparently pro-Syrian joke. And for those who -- like Amine Gemayel -- hope that, despite their years of bitter experience, Nabih Berri might at last play a constructive national role, Aoun's refusal to join Lahoud's second cabinet might provide Berri the excuse to explain to Damascus why the idea must be dropped.

CARROT AND STICKS AS DETERRENCE

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¶12. (S) As we have discussed in e-mails, we believe that a carrot-and-stick combination might dissuade Aoun from joining the second cabinet. On the sticks, we look forward to signing and announcement of the presidential proclamation on a visa ban (under 212(f) of the INA). Most Aoun bloc Christians would not like to think about having to go through an uncertain waiver process in order, say, for their children to attend U.S. universities. While probably insufficient to make a difference, this may even affect some Hizballah sympathizers in the south, many of whom despise U.S. policy but still enjoy visiting relatives in the U.S. As soon as this visa ban is signed, we can start providing useful background material to the Lebanese press, so that the linkage between the visa ban and support for the second cabinet is clear.

EXECUTIVE ORDER: NEEDED ASAP

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¶13. (S) But, as it is widely known that, inter alia, both Walid Jumblatt and Fouad Siniora need waivers of visa ineligibility yet have visited the U.S., the visa ban alone is not sufficiently intimidating to have the desired deterrence effect. Thus, as we have argued by e-mail, we strongly support developing, as briskly as is bureaucratically possible, a new Executive Order to impose financial sanctions on those undermining Lebanon's democratic institutions. We understand that similar tools have been used elsewhere. We do not need to "name names" now,

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especially if building cases on specific individuals would delay the process. Speed is the most important criterion, if we want the E.O. to have practical impact on political developments here.

¶14. (S) The fear of having financial assets sanctioned will have a profound impact on the debate regarding a second cabinet and specifically on many of the Aoun supporters. The list of wealthy fence-sitters (e.g., Najib Mikati), Aoun backers (Wadih al-Absi), people nostalgic for Syrian hegemony (Issam Fares), etc. is long. The pressure on Lahoud from his own family -- with son Ralf now a landed Canadian immigrant -- will also increase if it is clear, now, that support of a second cabinet can lead to serious, and lasting financial repercussions. We do not believe Aoun will take the risk of alienating his supporters and undermining his own financial base. We hope that this can move forward immediately, as a reactive E.O. post-facto will have far less impact, as the damage will have been done: the primary point is not to sanction those who support the second cabinet but to deter

people in advance from doing so.

CARROT: PROMOTE DIALOGUE

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¶15. (C) At the same time, we plan to increase our own engagement with Aoun, to emphasize the point to him that our problem is not him but rather the second cabinet. The E.O. is the best way for him to take us seriously: our earlier message to him that he was not the problem, but his alliance with Hizballah was, only had impact when we hinted at (but never actually pursued) terrorist financing concerns. At that point, his followers practically fell over each other trying to meet with us and assure of their long-term goals of Hizballah disarmament.

¶16. (C) We know that Aoun's advisor Gebran Bassil meets regular with Siniora's senior aide Mohamad Chatah; Chatah also meets with Aoun bloc MP Ibrahim Kanaan. Given Aoun's allegations that Chatah does not pursue ideas discussed at these meetings, the Ambassador will offer to Aoun to host a series of lunches for the advisor(s) of Aoun's choosing and Chatah, so that a third party is in the room to facilitate the discussions and serve as a point of reference. Even if we cannot promise Aoun the carrot he really seeks -- the presidency -- we can set up a mechanism that reassures him we are not only listening to March 14/GOL leaders.

VATICAN: A MESSAGE TO CHRISTIANS  
TO AVOID SECOND CABINET

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¶17. (C) As we discussed with Sheikh Michel Khoury and former MP Nassib Lahoud today, the Vatican can also play a key role in dissuading Aoun and his supporters from joining a second cabinet. The Vatican is, according to Khoury, already contemplating a letter to the Lebanese that would strongly suggest that supporting presidential elections on time is a Christian obligation. If the Vatican can send a Papal message that objects strongly and clearly to the second cabinet, many Aoun supporters are likely to think twice about allowing their Christian credentials to be tarnished by support of a second cabinet.

FRANCE: LINK TO DIALOGUE INITIATIVE

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¶18. (C) After initial hesitations, most Lebanese political leaders are now on board for the French dialogue initiative, currently projected to take place in France in mid-July. The Aounists have expressed particular enthusiasm for a venue in which they feel they will have equal footing with the March 14/GOL leaders. We hope that Washington can approach Paris about using the dialogue initiative as an additional disincentive to the second cabinet idea, by having the French make it clear to the Lebanese that any supporters of a second cabinet are not to be invited, A

UN ROLE

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¶19. (C) We also wonder if quiet discussions with UN officials in New York might have a circuitous positive impact

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on the debate here. If we can persuade UN headquarters staff that only UNIFIL (for clear operational and force protection reasons) will deal with the second cabinet, Geir Pedersen might work harder to dissuade his Hizballah contacts -- who seem to want the recognition their UN connections provide -- from this idea. For those countries who regularly meet with Hizballah, such as France and Saudi Arabia, similar messages could be useful.

¶20. (C) Based on the experience of threats followed by destructive action since November, we believe we should take

the possibility of a second cabinet seriously. If we have any hope of deterring this move, we need to move swiftly in getting the visa ban in place and developing a new Executive Order, the implications of which will be crystal clear here.  
FELTMAN